

January 1974

**A SELECTED BIBLIOGRAPHY ON MUNICIPAL DEBT:
REVENUE BONDS**

Anthony G. White

A SELECTED BIBLIOGRAPHY ON
MUNICIPAL DEBT: REVENUE BONDS

by

Anthony G. White

Copyright © 1973 Anthony G. White

Revenue bond financing has evolved gradually over the last half century as a means of financing municipal improvements in periods of growing resistance to property taxes. The issuance of revenue bonds to finance capital expenses (construction and/or purchase) for municipal facilities avoids the use of annually-collected property taxes or property taxes levied especially to pay off general obligation bond principle and interest. An up-surge in the use of these revenues (self-liquidating from income) bonds occurred in the 1930's for just that reason, as local governments tried to ease the burden on Depression-harried taxpayers.

Since revenue bonds are designed to have their principle and interest payments made from revenue produced by the facility constructed or purchased, these bonds are used only to acquire revenue-producing facilities such as utilities (water, refuse collection, natural gas, sewerage disposal, electrical power), transportation (bus lines, parking facilities, docks, airports), pollution-control systems, and recreational facilities such as golf courses, swimming pools, and tennis courts.

While revenue bonds enjoy the same tax-exempt status as general obligation bonds, the use of income from the facility (which can fluctuate greatly from one year to the next) makes these bonds riskier as an investment than general obligation bonds.

Consequently they carry a higher interest rate and as such cost the city more.

Greatly to a city's advantage, however, is that often state law or the city's charter will permit issuance of revenue bonds without a vote of the people, in the same manner that a corporation's board of directors can buy another company or incur debt without going to its stockholders, based on the theory that any such indebtedness can be repaid from profits. In this regard, cities have become more "business-like" (whatever that means) with regard to their financial affairs in imitating profit-motivated private enterprise.

News items occur with regularity regarding revenue bonds and bonding in Barron's, Business Week, Moody's The Bond Buyer, The Conference Board Record, Future, Harvard Business Review, Nation's Business, and The Wall Street Journal.

As with general obligation bonds, much of the mechanics of the conception, review, approval, sale and purchase of revenue bonds appears only in the lore of bonding legal counsel, and is indicated by some of the bibliographic entries included herein.

This bibliography, coupled with the publication on general obligation bonding, will present the reader with the bulk of available information on municipal bonding. Although there are other types of municipally-issued bonds - industrial-development, tax-increment, and hybrids between general obligation and revenue bonds - the two basic categories of general obligation and revenue bonds - make up by far the largest part of municipal debt. The large amount of overlap in the bibliographies indicates the scarcity of materials in the field, and should perhaps offer to the reader

the idea that definitive works in the area of municipal debt administration are long overdue.

Adrian, Charles R. State and Local Governments, New York: McGraw-Hill, 1960, pp. 401-405.

Advisory Commission on Intergovernmental Relations. Fiscal Balance in the American Federal System, Washington, D.C.: U. S. Government Printing Office, 1967.

_____. State Technical Assistance to Local Government Debt Management, Washington, D.C.: U. S. Government Printing Office, 1965.

Alhborn versus Hammon, 111 NE2d 70.

Antieau, Chester J. Municipal Corporation Law, New York: Matthew Binder, 1971, Volume 2, Chapter 15.

Bird, Frederick L. "The Problem of Revenue Bonds," National Municipal Review, Vol. XXVII, No. 6, June 1938, p. 6.

Bogen, Jule I. Financial Handbook, New York: Ronald Press, 1952.

Brown, Fraser. Municipal Bonds, New York: Prentice-Hall, 1922.

Break, George F. Intergovernmental Fiscal Relations, Washington, D.C.: Brookings Institute, 1967.

Calvert, G. L. Fundamentals of Municipal Bonds, 7th Edition, Washington, D.C.: Investment Bankers Association of America, 1969.

Cascade Locks versus Carlson, 90 P2d 787.

Chatters, Carl H. and A. M. Hillhouse. Local Government Debt Administration, New York: Prentice-Hall, 1939.

Currin, W. S. A Manual on Municipal Bonds, New York: Smith-Barnes, 1956.

Dean, Maurice B. Municipal Bonds Held Void, New York: Moody's Investment Service, 1912.

Dieruf versus Louisville and Jefferson County Board of Health, 200 SW2d 300.

Durisch, Lawrence L. "Municipal Debt Limits and the Financing of Publicly Owned Utilities," National Municipal Review, Vol. XX, No. 8, August 1931, p. 460.

Fitman, Dean S. and Ronald M. Copeland. "Federal Income Taxation and Immunity of Municipal Bond Interest," Michigan State University Business Topics, Vol. 15, No. 1, Winter 1967.

Federal Emergency Board of Public Works. Revenue Bond Financing by Political Subdivisions: Its Origins, Scope and Growth in the United States, Washington, D.C.: U. S. Government Printing Office, 1936.

Foley, E. H., Jr. "Revenue Financing of Public Enterprises," Michigan Law Review, Vol. 35, November 1936, pp. 1+.

_____. "Some Recent Developments in the Law Relating to Municipal Financing of Public Works," Fordham Law Review, Vol. 4, January 1935, pp. 4+.

Fowler, J. J., Jr. Revenue Bonds: The Nature, Uses, and Distribution of Fully Self-Liquidating Public Loans, New York: Harper and Brothers, 1938.

Guastella, A. R. Preparing a Bid Offering of a Local Government for the Market, New York: Moody's Investment Service, 1962.

Halsey, Stuart and Company, Inc. The Investment Merits of American Municipal Bonds, Chicago: The Company, 1937.

Hamilton, Henry Raymond. Water Revenue Bonds, Chicago: Lewis, Pickett and Co., Inc., 1937.

Hillhouse, A. M. Municipal Bonds: A Century of Experience, New York: Prentice-Hall, 1936.

Huefner, Robert P. "Municipal Bonds: The Costs and Benefits of an Alternative," National Tax Journal, Vol. XXIII, No. 4, December 1970, pp. 407-416.

Investment Bankers Association of America. Municipal Statistical Bulletin, Washington, D.C.: The Association, February 1969, No. 50.

Jensen, Jens P. Government Finance, New York: Crowell, 1937.

Jones, Leonard A. The Law of Bonds and Bond Securities, Indianapolis: Bobbs-Merrill, 1935.

Kee, W. S. City Expenditures and Metropolitan Areas: Analysis of Intergovernmental Fiscal Systems, Syracuse: Syracuse University, 1964, unpublished Ph.D. Dissertation.

Knappen, L. S. Revenue Bonds and the Investor, New York: Prentice-Hall, 1939.


Lassen Municipal Utility District versus Hopper, 53 P2d 347.

Lebenthal, L. S. The ABC of Municipal Bonds, New York: Harper and Brothers, 1937.

McKinney versus Owensboro, 203 SW2d 24.

McQuillin, Eugene. The Law of Municipal Corporations, Mundelein, Illinois: Callaghan and Company, 1970, Volume 15.

Moak, L. L. Administration of Local Government Debt, Chicago: Municipal Finance Officers Association, 1970, pp. 313-332.



Digitized by the Internet Archive
in 2010 with funding from
University of Illinois Urbana-Champaign

Stark versus Jamestown, 37 NW2d 516.

Stranaham, Harris, and Co., Inc. Are Revenue Bonds Issued by States, Municipalities or Agencies Thereof Exempt from Taxation? New York: The Company, 1936.

_____. On the Nature of Revenue Bonds of Political Subdivisions, New York: The Company, 1928.

Virtue, Maxine B. "The Public Use of Private Capital," Virginia Law Review, Vol. 35, No. 3, April 1949.

COUNCIL OF PLANNING LIBRARIANS

Exchange Bibliography #522

A SELECTED BIBLIOGRAPHY ON MUNICIPAL DEBT: REVENUE BONDS

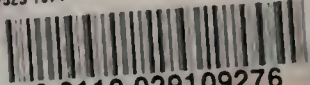
Additional copies available from:

Council of Planning Librarians
Post Office Box 229
Monticello, Illinois, 61856

for \$1.50.

- - - - -

UNIVERSITY OF ILLINOIS-URBANA
016 7114C73E C001
EXCHANGE BIBLIOGRAPHY URBANA, ILL.
510-523 1974



3 0112 029109276